



SUNSHINE HOLDINGS LIMITED
阳光控股有限公司

SUNSHINE HOLDINGS LIMITED
Incorporated in the Cayman Islands
(Company Registration No. CT-140095)

INACCURATE AND MISLEADING ARTICLE APPEARING ON SINA.COM AND 中国经营报

It has been brought to the attention of the Board of Directors of the Company (the “Board”) that a recent article uploaded onto a China-based website, www.sina.com.cn, on 11 July 2009 (12.22pm) and published in the China-based newspaper, 中国经营报, on 13 July 2009 with the subject-heading, “郭迎辉：思达系重组的过客” (the “Article”), contains material inaccuracies and misleading statements concerning our Company and our Chairman, Mr. Guo Yinghui. While the Article’s main focus appears to be on the personal involvement of our Chairman in his intended investment and participation in the restructuring of an unrelated company, namely, 河南思达高科技股份有限公司 (“Sida Gaoke”), (the “Sida Restructuring”), certain statements made in the Article may have the effect of misleading readers to think that, among others, our Company is involved in our Chairman’s personal intended interests in the Sida Restructuring and our Company have, in its business and corporate dealings, been engaged in improprieties.

Pursuant to Rule 703(4) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST Listing Manual”) and the Corporate Disclosure Policy set out in Appendix 7.1 to the SGX-ST Listing Manual, the Board wishes to clarify and set straight the records as follows:

1. *Non-involvement in the Sida Restructuring*

The Board wishes to state categorically that our Chairman’s intended involvement in the Sida Restructuring is strictly in his personal capacity and our Company or any of its subsidiary (the “Sunshine Group”) is not in any way involved in the Sida Restructuring. Neither is any of the companies of the Sunshine Group in any way assisting our Chairman in this regard. For the information of Shareholders, our Chairman’s intended involvement in the Sida Restructuring had been clarified in the announcement made by Sida Gaoke on 25 June 2009, and Sida Gaoke, being engaged in the business of electronic equipment manufacturing, is not a customer, supplier or competitor of our Sunshine Group.

2. *Allegation that our Chairman has lost control of our Company*

The Article alleged that, as a result of persistent breaches of his contractual obligations, our Chairman has ceased to have control of our Company. The Board wishes to state that based on shareholding records as of the date of this announcement, our Chairman has total interests of 41.1% in the Company (comprising direct and deemed interests of 14.7% and 26.4% respectively) as publicly disclosed to date and remains the single largest shareholder of our Company.

3. *Allegation that our Chairman has pledged 582.4 million shares to Banks*

The Article alleged that our Chairman has pledged a total of 582.4 million shares (constituting approximately 59.55% of the share capital of our Company) to Deutsche Bank AG and United Overseas Bank Ltd (Labuan Branch) (the "Banks") as security for the US\$120 million loan (the "Loan") extended by such Banks to our Company. The Board wishes to state that under the terms of the Loan, no security is required to be given by our Chairman. In any event, the total shareholding interests which our Chairman have in our Company amount to only 41.1%, and accordingly, it is not possible for our Chairman to have pledged shares amounting to 59.55% of the share capital of our Company to the Banks.

4. *Allegation that our Company had provided funds amounting to RMB70 million for the Sida Restructuring*

In the Article, the writer alleged that our Company had provided funds amounting to RMB70 million for the Sida Restructuring. As mentioned above, the Board categorically states that our Company or any company of the Sunshine Group is not in any way, directly or indirectly, involved in the Sida Restructuring and did not at any time, directly or indirectly, provide funds for the Sida Restructuring.

5. *Allegation that our Company had failed to pay for interests owing since October 2008*

The Article alleged that since October 2008, our Company had consistently failed to pay for interests owing to the Banks under the Loan. The Board wishes to state that this statement is inaccurate as our Company had been meeting its various interest payment obligations right up to March 2009, though part of the interest payments had been made through set-off against deposits placed with one of the Banks. Our Company has been and will continue to keep Shareholders informed periodically and on a timely basis on the status of our negotiation with the Banks.

The writer also stated that his attempts to seek clarification and confirmation on the above from our Company and our Chairman had either been ignored or rejected. The Board wishes to clarify that the Management had declined to grant an interview to the writer as his list of questions could result in disclosing price sensitive information on a selective basis, some of such information being inappropriate or premature (and to the extent being potentially detrimental to the interest of our Company) to make public at a juncture when negotiations on the restructuring of the Loan were on-going with the Banks.

The Board takes a serious view of the baseless allegations and insinuations made against the Company, We are seeking advice from our legal counsel on the appropriate response and legal action to take to reserve and protect our rights.

By Order of the Board

Mr. Guo Yinghui
Chairman

17 July 2009